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Russia and the "New Order" in Europe

BY VERA MICHELES DEAN

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AS Germany intensified its air attacks on British ports and war industries, it also multiplied its efforts to bring the European continent west of the Soviet Union under Nazi control and to exclude the remnants of Britain's influence from Europe. On September 27, 1940, at a conference held in Berlin, Japan joined Germany and Italy in a ten-year alliance designed to bar intervention by outside powers in both the European and Asiatic wars, whose interconnection was thus officially acknowledged. By the terms of this tripartite alliance, the Axis powers and Japan pledged themselves to respect and support each other's efforts "to establish and maintain a new order of things" in Europe and Greater East Asia respectively. In addition, they undertook "to assist one another with all political, economic and military means when one of the three contracting powers is attacked by a power at present not involved in the European war or in the Chinese-Japanese conflict." While the pact of Berlin contained no definition of what would constitute an attack, Nazi spokesmen indicated that only intervention of a decisive character would be considered a casus belli. The assistance rendered up to that time by the United States to Britain and by the Soviet Union to China was apparently not regarded as falling within this category.

The tripartite alliance, which formalized the cooperation existing between the Axis powers and Japan since Tokyo's adherence to the anti-Comintern pact in 1937, took into consideration the United States and the U.S.S.R.—the two great non-belligerents whose active intervention in the wars of Europe and Asia might turn the balance in favor of one or other of the belligerents. In Article V of the treaty of Berlin, Germany, Italy and Japan affirmed that the terms of the alliance "do not in any way affect the political status which exists at present as between each of the three contracting parties and Soviet Russia"—thus creating the impression abroad that the alliance was a warning to the United States rather than the U.S.S.R. At the same time, in its

1. For text of tripartite alliance of September 27, 1940, cf. The New York Times, September 28, 1940.

preamble, the pact offered the cooperation of the three signatories to any country, including presumably the United States and the Soviet Union, which might want to carve out a *Lebensraum* of its own in other parts of the world; and the Nazi press emphasized Germany's desire to respect the Monroe Doctrine, which the Germans regard as the American counterpart of their claim to supremacy on the European continent.

Conclusion of the tripartite alliance was followed by vigorous diplomatic efforts on the part of the Axis powers to enlist European countries — both those already conquered and those which still retained a semblance of independence — on the side of the "new order." On October 24 Marshal Pétain, disregarding representations by President Roosevelt, King George VI and Prime Minister Churchill, reached an agreement in principle with Hitler, transforming the four-month armistice between Germany and France into a settlement providing for French collaboration with Germany's "reconstruction of peace in Europe."3 The "details" of this agreement, however, remained to be worked out. Spain's participation in the "new order," which apparently was to involve military operations against Gibraltar to be rewarded with a share of French colonies in Africa, was discussed at conferences between Hitler and General Franco on October 22, as well as between Spanish Foreign Minister Ramón Serrano Suñer and Axis officials in Germany on November 18, but no authentic information was issued regarding the outcome of these conferences. On November 20, at a meeting held in Vienna, Hungary signed the tripartite alliance, and similar action was taken on November 23 by Rumania (under German occupation since October), and on November 24 by Slovakia. Con, trary to widespread expectation that Bulgaria, which has territorial claims against Greece and

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^{2.} For an analysis of the "new order" in Europe as envisaged by the Nazis, cf. Vera M. Dean, "Europe Under Nazi Rule," Foreign Policy Reports, October 15, 1940.

^{3.} For text of official communiqué, cf. The New York Times, October 25, 1940.

Yugoslavia, would be next to join the "new order," the German press indicated on November 25 that, for the time being, no further adherences to the tripartite alliance were expected in Berlin. 4 This sudden suspension of Germany's diplomatic drive may have been due, in part, to the success of Greek and British arms against Italy, which impressed Spain and the Balkans with Britain's strength in the Mediterranean; and in part to the influence of the Soviet Union, which had given no sign that it was ready to recognize the "new order" in Europe and Asia and, in fact, questioned the possibility of its realization. One of the principal aspects of the tripartite alliance, said Pravda on September 30,5 was that it "openly recognizes the spheres of influence of its participants and the division of these spheres among them with the obligation of mutual defense of these spheres of influence from attacks on the part of other states and, of course, first of all, on the part of Britain and of the United States, which is collaborating with it. According to the pact, 'the great East Asiatic space' is assigned to Japan, while 'Europe' is assigned to Germany and Italy. It is another question whether the signatories of the pact will succeed in realizing in actuality such a division of spheres of influence. There is no doubt that the realization of such a plan will depend on the balance of the forces of the warring countries, on the course and outcome of the present, constantly sharpening, war."

MOLOTOV VISIT TO BERLIN

Nazi activities on the diplomatic front were designed not only to confront Britain, and especially the United States, with the *fait accompli* of a Nazicontrolled Europe, but also to prevent Balkan aid to Britain and Greece in the Mediterranean theatre of war. To consolidate its rule over the continent, and to prevent Turkey's intervention on the side of Britain, Hitler needed Russia's approval of his plans for a "new order." It was apparently to obtain this approval that the Nazis invited Vyacheslav Molotov, Soviet Premier and Foreign Commissar, to Berlin on November 12.

Competitive bidding for Soviet support between Britain and the United States on the one hand, and Germany on the other, had reached a new climax in October, when the Reich transferred a part of its land army from Western Europe to Rumania, presaging a thrust into the Balkans and the Near East. This German move may have constituted a genuine attempt to safeguard the Rumanian oil fields, principal source of Axis oil supplies, from anticipated acts of British sabotage. In addition, however, the Nazis, who in August 1940 had guaranteed Rumania's frontiers after territorial cessions by that country to Russia, Hungary and Bulgaria, planned to train the Rumanian army on the German model, and perhaps to establish in Rumania a base for operations farther south and east. Such operations, which were to be synchronized with the Italian advance into Egypt begun on September 12, might have been directed solely against Britain and Brittain's two remaining satellites in the Balkans-Greece and Turkey. But Germany's occupation of Rumania could also have been interpreted as a threat to the Soviet Union should Moscow at any time decide to oppose Nazi encroachments in the Black Sea region, and lend assistance to Turkey against the Axis powers. While the German press conveyed the impression that Nazi occupation of Rumania had taken place with Moscow's approval, the official Soviet news agency, Tass, declared on October 15 that the U.S.S.R. had not been informed of this move in advance.7a

To allay Moscow's apprehensions regarding the Balkans, historically regarded as a Russian sphere of influence, and win its cooperation in aligning Bulgaria, Yugoslavia and Turkey on the side of the Axis, the Nazis, in their Berlin conversations with M. Molotov, presented their plans for a "new order" in Europe. Germany, it is believed, invited Russia to recognize this new order in return for a guarantee of its present European frontiers by the Axis powers, and for a share of war spoils in other regions. It was rumored that Germany had offered Moscow either the Dardanelles and sections of Turkey,8 or access to the Indian Ocean through Iran and a sphere of influence in Afghanistan and India, where Russia and Britain have been in conflict since the middle of the nineteenth century.

In harmony with the spirit of the tripartite alliance, which seeks to coordinate the "new order" in Europe and Asia, Soviet-German conversations in Berlin were linked with simultaneous conversations in Moscow between the Soviet Foreign Office and

^{4.} Ibid., November. 26, 1940.

^{5. &}quot;Berlinskii Pakt o Troistvennom Soyuze" (The Berlin Pact regarding the Tripartite Alliance), Pravda, September 30, 1940.
6. In the alliance concluded with France and Britain on October 19, 1939, Turkey undertook to aid the Allies in case aggression by any power led to war in the eastern Mediterranean, or in case the Allies were compelled to fulfill their pledges to protect Rumania and Greece against attack. The alliance, however, specified that Turkey could on no account be compelled to participate in war against the U.S.S.R. For text of the alliance, cf. The New York Times, October 20, 1939.

^{7.} For details of these cessions, cf. Dean, "Europe Under Nazi Rule," cited.

⁷a. Izvestia, October 16, 1940.

^{8.} Under the Treaty of Brest-Litovsk of 1918 with the Central Powers, Russia agreed to evacuate the districts of Batum, Kars and Ardahan, which in the past had changed hands several times between Russia and Turkey. In 1920 Kars and Ardahan were incorporated into Turkey.

the new Japanese Ambassador, Lieutenant-General Tatekawa, regarding conclusion of a Russo-Japanese non-aggression pact. So far as can be determined, M. Molotov took note of the proposals presented by the Axis in Berlin and by Japan in Moscow, but made no definite commitments either in Europe or Asia. On the contrary, when it was reported in the German press that Hungary had signed the tripartite alliance with the full approval and cooperation of the Soviet government, the Tass agency declared on November 23 that this report did not "correspond with the facts in any extent."9 Nor did Japan apparently succeed in persuading Moscow to curtail the aid it had been rendering the Chungking government of General Chiang Kaishek. On the contrary, following Japan's official recognition of the Nanking government of Wang Ching-wei, the Soviet government announced on December 5 that its policy with regard to China "remains without change."9a

THE SOVIET "ENIGMA"

With Britain and Germany locked in a war which threatens to develop into a long-drawn stalemate, the respective roles of the United States and the U.S.S.R. assume paramount importance for the outcome of the wars in Europe and Asia. Most Westerners, unfamiliar with Russia's history and the character of its people, regard the foreign policy of the Soviet government as a great enigma.10 They alternate between the belief that Russia is a country of untutored barbarians which has no place in Western culture, and the belief that Russia has an obligation to save the Western world from Nazism. Opinion in Europe and the United States has been further confused in the past twenty years by the rise of Bolshevism in Russia, denounced by some as a mortal peril to the Western way of life, more dangerous even than Nazism, and hailed by others as the only hope of modern society. Division in Western countries regarding the aims and character of Bolshevism, and hence regarding Russia's role in world affairs, has contributed perhaps more than any other factor to the ideological perplexity of our times.

This perplexity was greatly increased by Moscow's course after August 1939. Russia, the one great power in Europe which had officially opposed

aggression, concluded pacts of non-aggression¹¹ and consultation with the Nazis. The Soviet government, whose founder, Lenin, had denounced imperialism and had been ready to surrender Russia's own conquests achieved under the Tsars, itself assumed an imperialist role, and within a year had occupied Poland, a section of Finland, the Baltic states, and two provinces of Rumania, all of which (except for Northern Bukovina), had been lost by the Russian Empire at the end of the first World War. Stalin, who had again and again proclaimed that Russia wanted peace, and would not take "one inch" of any other country's territory, engaged Russia in war with Finland. No wonder that both foes and friends of the Soviet Union were bewildered by these apparently contradictory developments. Their bewilderment increased when Communist parties outside Russia, following the new line of policy dictated from Moscow, suddenly abandoned their previous hostility toward "aggressors" and their demands for collective security against Nazi expansion. Instead, Communists in all countries appeared to make common cause with the Nazis, contended that the war had been provoked by France and Britain for purely imperialist motives, and urged their supporters to advocate peace.

LENIN'S VIEW OF "IMPERIALIST" WARS

To place Moscow's foreign policy in its proper perspective, it must be recalled that when the Soviet government came to power in 1917 it was not well disposed either toward Germany or the Allies, at whose side Russia had been fighting since 1914. The Bolshevik leaders believed that both Germany and the Allies, as well as Russian Tsarism, were engaged in an "imperialist" war, and that the World War, whatever its outcome, could only serve the interests of the "ruling class," to the detriment of workers in all countries who, in their opinion, had "no fatherland" until they found a "socialist fatherland" in the Soviet Union.

Lenin, who spent the war years until April 1917 in Switzerland, believed that all previous wars had been "national" wars, wars of liberation, which represented a natural and even praiseworthy attempt by national groups to throw off the shackles of feudalism or foreign oppression and form national states, which he considered "a necessary phase in the development of capitalism." The World War, in Lenin's opinion, was the first conflict in history which was not a "national" but an "im-

^{9.} The New York Times, November 24, 1940.

⁹a. Izvestia, December 6, 1940.

^{10.} For an analysis of Soviet foreign policy on the eve of the second World War and immediately following its outbreak, cf. Vera M. Dean, "Russia's Role in the European Conflict," Foreign Policy Reports, March 1, 1940.

^{11.} For history and analysis of Soviet-German non-aggression pact of August 29, 1939, cf. *ibid*.

^{12.} V. I. Lenin, "The Tasks of Revolutionary Social-Democracy in the European War" (Resolution of a Group of Social-Democrats), Collected Works, Vol. XVIII, The Imperialist War (New York, International Publishers, 1930), p. 62.

^{13. &}quot;The Proletariat and the War," Ibid., p. 68.

perialist" war—a war between competing capitalist groups for strategic bases, colonies, markets and raw materials. Capitalism, he contended, had reached its highest form, and was no longer exporting commodities, but capital. "It begins to feel cramped in its national shell, and there is a struggle now for the last free remnants of land on the globe." While the "national" wars of the eighteenth and nineteenth centuries, according to Lenin, "signified the beginning of capitalism, the imperialist wars indicated its end."14 Imperialism Lenin defined as "a state of capitalism when, having fulfilled all that is possible for it, capitalism makes a turn towards decay," and a struggle begins for "distribution of the remaining pieces of territory." He did not undertake to predict how long the epoch of "imperialist" conflicts would last, but thought there might be "several such wars."15

Imperialist wars, in Lenin's opinion, were the inevitable outcome of the "uneven" development of capitalism in different countries, which had resulted in more rapid industrial, and hence colonial, capital-exporting expansion on the part of some great powers (France and Britain), and retarded expansion on the part of others (Germany, Italy, Japan, the United States). The new "imperalist" countries, according to Lenin, were seeking to wrest power from the older "imperialist" countries, which they often surpassed in physical vitality and industrial efficiency (for example, Germany surpassed France in both respects, and the United States surpassed Britain). In this struggle between new and old "imperialisms," the issue at stake was not improvement of the welfare of the workers, or liberation of this or that national group, but consolidation of the power of "monopoly capitalism" of one country or another at the expense of all workers and backward colonial peoples. Lenin therefore regarded all belligerents in the first World War as equally "imperialist," and equally deserving of Socialist condemnation. He bitterly assailed Social Democrats in all warring countries for supporting their respective national governments. Communists in Russia and elsewhere who have adopted Lenin's interpretation of history regard both Britain and Germany in the second World War as "imperialist" powers, and believe that the victory of either is undesirable from the workers' point of view. According to a recent Russian commentator, however, Lenin would have considered China's struggle against Japan as a "national" war of liberation, deserving of assistance on the part of a workers' state, but would have condemned Japan's war against

Lenin also believed that one of the objects of all the belligerents in the first World War was to divert the attention of the "laboring masses" from internal difficulties, and to disunite the workers by urging the need for national unity in wartime. He was particularly concerned with this aspect of the war in Tsarist Russia, and had no sympathy for France and Britain, contending that the Allies were perpetuating the Tsarist régime and furthering its reactionary aims by their military and financial aid to Russia. He believed that Russia's defeat would be preferable to a victory which would strengthen Tsarism and weaken the forces of revolution.¹⁷

The only favorable feature of the World War, in Lenin's opinion, was that it provided an unrivaled opportunity for social revolution on a world scale, and eventual creation of a "republican United States of Europe."18 It is impossible, he declared "to pass from capitalism to Socialism without breaking national frameworks, as it was impossible to pass from feudalism to capitalism without adopting the idea of a nation."19 Lenin and his supporters believed that the disillusionment and bitterness engendered by three years of war would lead soldiers and workers in all countries, irrespective of national barriers, to join in demanding peace, as well as improvement of their lot in the post-war period. Revolution in Russia, least prepared of all the belligerents for a long conflict, and the first to disintegrate from within, would serve as a signal for world-wide revolt. The "imperialist" war, said Lenin, should be transformed into civil war.20

Once Russia had effected its own revolution, Lenin urged it to remember that great as are the "contradictions" between capitalist countries, and hence the conflicts between them, the fundamental "contradiction" in the modern world is between capitalism and communism. Sooner or later, said Lenin, one or the other of these two systems must triumph, and Russia must always be on guard against capitalist invasion. Russia should strive to preserve peace, but it should be in constant readiness to defend the "socialist fatherland," and its desire for peace should not be a bar to "military-offensive"

China as an "imperialist" war, to be opposed by the workers of the world.¹⁶

^{16.} I. Lemin, "Problemy Vneshnei Politiki v Rabote Lenina Imperialism, kak Visshaya Stadiya Kapitalisma'" (Problems of Foreign Policy in the Work of Lenin "Imperialism, as the Highest Stage of Capitalism"), Mirovoye Khozyastvo i Mirovaya Politika (World Economy and World Politics), June 1940, p. 21.

^{17.} Lenin, "The War and Russian Social Democracy," Collected Works, Vol. XVIII, cited, p. 76.

^{18.} Ibid

^{19. &}quot;The Proletariat and the War," cited.

^{20. &}quot;The War and Russian Social Democracy," cited.

^{14.} Ibid.

^{15.} lbid.

operations necessary to insure the safety of the Soviet state. Those who would exclude such operations in advance, Lenin said, were "not only fools, but criminals." To preserve peace, strengthen the security of the "socialist fatherland," and improve its international position, it is essential for the Soviet government to utilize all the "contradictions" in the capitalist world. "If we did not adhere to this rule," Lenin said, "we would long ago, to the satisfaction of the capitalists, have all been hanging on different trees." 21

The hopes of Soviet leaders for social revolution following the first World War were shattered by the course of events. Germany did experience a change of government in 1918, but not a social transformation. Short-lived Communist uprisings took place in Hungary and Bavaria, and a trend toward socialism became noticeable in a number of European countries. But, on the whole, the end of the first "imperialist" war marked an attempt to patch up the political, social and economic institutions of the pre-war period, rather than to effect the fundamental social revolution advocated by the Communists: Fear of communism, as practiced in Russia, became one of the dominant forces in postwar Europe, and it was impossible not to identify fear of communism with fear of Russia-especially since the Soviet leaders themselves had identified Russia, the "socialist fatherland," with the cause of communism throughout the world. Not only were the doctrines of communism feared because of the effect they might have on private property, large or small. They were also feared because in Russia the Soviet régime had systematically uprooted organized religion. Repeated attempts were made by Russia's World War Allies to "quarantine" the Soviet Union, to isolate it from the rest of the world. When these attempts proved unsuccessful, and Russia gradually began to play a part again in the affairs of Europe and Asia, the Western powers sought to curtail its influence, and in some circles it was hoped that political and economic pressure would eventually cause the downfall of the Soviet government, thus ending all danger of

This fear of communism, and of Russia, was skillfully used by Hitler, who himself denounced communism as the enemy of Western civilization. Both at home and abroad Hitler won adherents by promising that Nazism would prove a bulwark against communism. Where concern for the preservation of property and defense of religious institu-

tions happened to coincide, as in Spain during the civil war, the way was opened for intervention by Germany and Italy, as well as Russia. At the same time, fear of communism restrained France and Britain from intervening, in turn, to check Nazi expansion, and split public opinion in the Western countries on the issue of fascism versus communism instead of focusing it on the fundamental transformations wrought in Europe by the rise of Nazism.

There was thus no love lost, in the past twenty years, between Russia and the Western powers-France, Britain and the United States which, after fighting with Russia against Germany, had then intervened in Russia against communism following the Bolshevik revolution of 1917. In fact, the first countries in Europe to establish relations with Russia after 1917 were its former World War enemies, Germany and Turkey. This is important to an understanding of Russia's present relations with Germany. Since the days of Bismarck, who welded the Germans into a national state in 1871, German policy toward Russia has been guided by two major considerations. First, the Germans regard Russia as an essential source of food and raw materials, as well as a market for their manufactured goods and a field for the utilization of their technical experts. Second, the Germans fear the possibility of war on two fronts, and have again and again sought to "re-insure" the Reich against war in the East. When Hitler, in August 1939, concluded a non-aggression pact with Russia, he reduced the danger of war on two fronts, and made it possible for the Reich to try to draw on Russia's food and raw materials.

RESULTS OF SOVIET-GERMAN NON-AGGRESSION PACT

What have been the results of the Soviet-German pacts of non-aggression and consultation as viewed in the perspective of fifteen months of war? Russia's position was succinctly defined by Marshal Timoshenko, Soviet War Commissar, on the twenty-third anniversary of the Bolshevik revolution on November 7, when he stressed the country's desire for peace and neutrality, but urged vigilance and preparedness in the world crisis, and added: "The Soviet Union has extended its borders . . . but we cannot be contented with what already has been achieved."²²

In more detailed terms, Moscow's opinion of the war and Hitler's "new order" in Europe, as revealed in the official Soviet press, may be summarized as follows:

- 1. FEAR FOR SOVIET SECURITY. The Soviet govern-
- 22. The New York Times, November 8, 1940.

^{21.} Speech at conference of secretaries of cells of the Moscow organization of the Russian Communist Party, November 26, 1920, *Collected Works*, quoted by Lemin, "Problems of Foreign Policy in the Work of Lenin," cited.

ment does not believe that the results of the second World War to date have enhanced the security of the U.S.S.R., and continues to heed Lenin's counsel regarding the dangers of "capitalist" invasion. Nor have the Soviet leaders abandoned their conviction that the U.S.S.R. is the "socialist fatherland" of all workers, and the base for ultimate spread of communism. These views were expressed by Mikhail Kalinin, President of the Supreme Council of the Soviet Union, when he said, in an address to the students and faculty of the Red Army Political Academy: "We are a besieged fortress. It is true this fortress is a huge one-one-sixth of the earth. But the remaining five-sixths are our principal and irreconcilable enemies."23 He called for "eternal vigilance," increased armed forces and improved discipline, declaring: "There never was nor can be a more honorable task in the world than the development and fortification of the Socialist State inasmuch as this is the direct path to communism.

2. POLICY OF NEUTRALITY. The Soviet government takes pride in the fact that, by its policy of balancing off the belligerents and utilizing the "contradictions" between the "imperialist" powers, it has preserved the U.S.S.R. from war (except for the Finnish campaign), and has succeeded in maintaining its neutrality. Following announcement of the tripartite alliance concluded by Germany, Italy and Japan on September 27, Pravda, organ of the Russian Communist party, delared that this alliance had been prompted by "extension of military collaboration between England and the United States," and presaged expansion of the war. Yet according to Pravda the Berlin pact did not "represent anything particularly unexpected for the Soviet Union," which had been informed of its terms in advance by the German government. Russia, for its part, said Pravda, was still pledged to a policy of peace and neutrality, and this policy was recognized by the Axis powers and Japan, which had stated in Article V of their alliance that their relations with the Soviet Union remained unchanged.²⁴

Moscow's decision to conclude a non-aggression pact with Germany in 1939, and to preserve its neutrality in the ensuing conflict between the Reich and the Allies, was apparently based on the belief that the belligerents would exhaust each other in the Western theatre of war, leaving Stalin free to fulfill his plans for the establishment of "socialism in one country" as the prologue to ultimate world revolution. When the Reich, following a series of

spectacular victories in the West, transferred portions of its seasoned army to Eastern Europe, Moscow was forced to re-evaluate the risks of a major conflict with Germany, for which most observers believe it is neither industrially nor militarily prepared. To the extent that French resistance proved far less effective and prolonged than had been anticipated in Moscow, the balance of power in Europe, which seemed to favor Russia at the outbreak of the war, tipped in favor of Germany. To redress the balance, especially after Japan had officially joined the Axis alliance, Moscow would have had to effect a rapprochement either with Britain, or with Britain's potential associates in the Mediterranean, notably Turkey. Such a rapprochement, however, was made difficult by the Kremlin's suspicion that Britain remained inimical to the Soviet Union, and might attempt to divert Germany from the West by creating a new theatre of war in the Balkans and the Near East, where it would attempt to draw Russia into war against the Reich. This suspicion, latent in Moscow for many years, was sharply increased in July 1940 when the German Foreign Office, following Nazi occupation of Paris, issued a White Book alleging that France and Britain had planned to attack Soviet oil fields in the Caucasus with the aid of Turkey and Iran.²⁵ While the allegations of the German White Book provoked a strong reaction in Moscow against Britain, as well as Turkey, the Soviet government's reluctance to recognize Hitler's "new order" would indicate that, for the time being at least, the Kremlin intends to pursue what it regards as a neutral course. Such a course, however, might be compatible with efforts by the U.S.S.R. to prevent two contingencies: participation by Bulgaria, Yugoslavia and Turkey in Hitler's "new order;" and use of Turkey as a base for any future attack by Western powers on Russia through the Black Sea and the Caucasus.

3. TERRITORIAL EXPANSION. While continuing to fortify the "socialist fatherland" against a hostile world and vigilantly guarding its neutrality, the Soviet government, as Marshal Timoshenko said on November 7, "has extended its borders" by a series of "military-offensive" operations. This territorial expansion—except in the case of Finland, whose internal political situation had been gravely underestimated by Moscow—has taken place without resort to actual war. The area of Poland²⁶ assigned to Russia, consisting of western Ukraine and western White Russia, was incorporated into

^{23.} This address, delivered some time before, was not published in the Soviet press until November 30. Cf. *The Daily Worker*, December 3, 1940.

^{24.} Pravda, September 30, 1940.

^{25.} Cf. editorial "Razablachennye Plany Organizatorov Voiny" (Revealed Plans of Organizers of War), *Izvestia*, July 5, 1940. 26. For Soviet occupation of eastern Poland, cf. Dean, "Russia's Role in the European Conflict," cited.

the Soviet Union on November 3, 1939, in the form of administrative areas absorbed into the Soviet Ukraine and Soviet White Russia. This area contained about 77,703 square miles, with a population of approximately 12 million. The Vilna district—a bone of contention between Poland and Lithuania after the World War—was returned by the Soviet Union in October 1939 to Lithuania, which in August 1940 was in turn incorporated into the U.S.S.R.

The Soviet-Finnish war, which meantime had broken out on November 30, 1939, had been terminated by a peace treaty concluded in Moscow on March 12, 1940. Under the Moscow peace treaty Finland ceded to Russia the Karelian Isthmus, including its second largest city, Viborg, and its famous Mannerheim Line fortifications. It was reported at the time that in this area the Soviet government planned to construct fortifications of its own, to be known as the Voroshilov Line. Finland also surrendered the entire shore of Lake Ladoga, the largest lake in Europe, which thus came entirely under Russian domination, as well as a section of its Arctic coast, which gave Russia strategic control of the Finnish warm-water port of Petsamo. Finland, moreover, leased to Russia for thirty years the Hangoe peninsula on the Gulf of Finland -which it had refused to sell or lease before the outbreak of the Soviet-Finnish war²⁷—at an annual charge of 8 million Finnish marks; this peninsula is to become a Soviet naval and military base. In addition, Finland agreed to have a railway built in 1940 across its territory, running from the White Sea in Russia to Kemijaervi on the Finnish-Swedish border; to permit the passage of Soviet goods, duty-free, through its Arctic region from Russia to Norway; and to give up the right to maintain warships or submarines—other than coastal vessels-in its Arctic waters.28 The areas surrendered to the Soviet Union by Finland contain important industrial and agricultural resources. Of the Finns living in these areas only one per cent decided to remain, and Finland was faced after the war with the problem of resettling more than 400,000 refugees. By a Soviet decree of March 31, 1940 the territory transferred by Finland (with the exception of a small section directly joined to Leningrad), was included in the Karelian Autonomous Soviet Socialist Republic, and this Republic, in turn, was transformed into the "independent" United Karelo-Finnish Socialist Republic.29

- 27. Cf. ibid.
- 28. For text of Soviet-Finnish peace treaty of March 12, 1940, cf. *Mirovoye Khozyastvo i Mirovaya Politika* (World Economy and World Politics), March 1940, p. 17.
- 29. Law regarding the Transformation of the Karelian Autonomous Soviet Socialist Republic into the United Karelo-Finnish Socialist Republic, *ibid.*, p. 21.

On June 28, in Moscow, the U.S.S.R. and Finland signed a trade agreement providing for mostfavored-nation treatment. A protocol to the trade agreement specified that during the first year of its operation each country would purchase from the other goods to the value of \$7,500,000, Finland exporting to the Soviet Union chiefly electrical equipment, copper wire, hides, paper, butter and meat, and the Soviet Union exporting to Finland chiefly wheat and rye, oil, manganese, cotton and tobacco.³⁰ On October 11, 1940, moreover, the U.S.S.R. and Finland, with a view to strengthening their "security and peace in the Baltic," signed an agreement regarding the Aland Islands.³¹ By the terms of this agreement Finland undertook to demilitarize the islands and to refrain from fortifying them, as well as to prevent their use by the armed forces of other states.32 The agreement also provided for the appointment to the Aland Islands of a Soviet consul whose function, in addition to ordinary consular duties, would be to supervise fulfillment of Finland's pledges regarding demilitarization and non-fortification of the islands.

On June 26, immediately after signing of the Franco-German armistice at Compiègne which freed a part of the German army for operations in Eastern Europe and the Balkans, the Soviet government presented an ultimatum to Rumania, demanding immediate return of Bessarabia and cession of Northern Bukovina.33 This ultimatum the Rumanian government, already confronted with territorial demands on the part of Hungary and Bulgaria, accepted on June 28, and on July 1 the Red Army occupied Bessarabia and Northern Bukovina, which Moscow claimed on historic and national grounds. Bessarabia, a poor and backward province with an area of 17,151 square miles, had formed part of the Russian empire from 1812 to 1918,34 when it had been seized by Rumania—an act never recognized by the Soviet government.35

- 30. For Soviet communiqué regarding this trade agreement, cf. *Izvestia*, June 29, 1940.
- 31. For text of agreement, cf. ibid., October 12, 1940.
- 32. Article I provided that "no establishment or base of operations, military or naval, no establishment or base of operations of military aviation, no other establishment capable of being used for military purposes, can be maintained or constructed in the zone of the Aland Islands either by Finland or by other states, and existing artillery platforms must be razed."
- 33. For text of Soviet ultimatum and subsequent exchange of notes between Rumania and the U.S.S.R., cf. Mirovoye Khozyastvo i Mirovaya Politika (World Economy and World Politics), June 1940, pp. 8-10.
- 34. For a brief period between 1856 and 1878 the south-western districts of Bessarabia had been part of Moldavia which, together with Wallachia, became the new state of Rumania in 1878.
- 35. In a report on Soviet foreign policy to the sixth session of the Supreme Council of the U.S.S.R. on March 29, 1940, Premier Molotov said that the Soviet government had an "unresolved controversial question" with respect to Rumania, the question of Bessarabia, "whose seizure by Rumania the Soviet

According to the 1930 census, the Rumanians constituted 55.8 per cent of Bessarabia's population of over three million, while Ukrainians and Russians together made up only 25 per cent. A different situation existed in Northern Bukovina, which had been part of Austria-Hungary—not Russia—before 1919. In two departments of this province, Cernauti and Storojinet, Ukrainians and Russians constitute at least half of a population estimated at 476,000. In its ultimatum, the Soviet government contended that the majority of the population of Northern Bukovina had been linked with the Soviet Ukraine by a common historic fate as well as by a common language and national composition.³⁶

Two weeks later, on July 14 and 15, Estonia, Latvia and Lithuania, where the Soviet Union had obtained air and naval bases and established its military control under mutual aid treaties concluded in the autumn of 1939,37 "voted" by plebiscites for inclusion of their territories in the U.S.S.R., after the leaders of opposition elements had either fled or been placed under arrest. Lithuania, Latvia and Estonia, by decrees of August 3, 5 and 6 respectively, were admitted into the U.S.S.R. on an "equal" basis with other Soviet Socialist Republics.38 By decrees of August 2, the major part of Bessarabia was united with Soviet Moldavia into the Moldavian Soviet Socialist Republic; while Northern Bukovina, as well as certain sections of Bessarabia, were incorporated into the Ukrainian Soviet Socialist Republic.³⁹ In September the three Baltic republics were united into one Baltic military district under the orders of General Loktionoff, formerly commander of Soviet military bases in Estonia, Latvia and Lithuania. This move, according to neutral observers, was intended to strengthen the position of the Baltic region as an outpost against Germany.40

Union had never recognized, although it had also never raised the question of recovering Bessarabia by military means." For text of Premier Molotov's report, cf. Mirovoye Khozyastvo i Mirovaya Politika (World Economy and World Politics), March 1940, p. 5.

Dearth of news from the Baltic countries, eastern Poland, Bessarabia and Northern Bukovina since their absorption into the Soviet Union makes it difficult to estimate the changes effected in these territories by the Soviet government. The Soviet press gives a rosy picture of improved economic, social and cultural conditions now that the newly acquired territories have been "liberated" from the "capitalist" yoke and given an opportunity to share in the benefits offered by the "socialist fatherland."41 So far as can be determined from fragmentary reports, the Soviet authorities at first delayed fundamental changes in the economy of the Baltic countries, as well as eastern Poland, in the hope of avoiding an acute economic crisis such as occurred in Russia after 1917. The demands of local peasants for redistribution of land, and of workers for control of the factories, however, accelerated the process of sovietization. The properties of large landowners and the Catholic Church, as well as of "kulaks" or prosperous peasants, are being redistributed among the poor or landless peasants. Many intellectuals and business men have been executed or deported to Russia. While the lot of underprivileged peasants and workers may have been improved by the reincorporation into the U.S.S.R. of these former provinces of the Russian Empire, the middle class, labeled "fascist" by Soviet writers, has been drastically repressed. The general standard of living, moreover, appears to have been materially lowered, for the time being at least, partly due to the fact that Soviet authorities and Soviet citizens seized or purchased consumers' goods, many of which were not available in the U.S.S.R.; and partly due to the dislocation produced by nationalization of banks and industrial establishments. In the long run, it is not impossible that the Baltic countries and eastern Poland, granted they are given a modicum of economic initiative, might benefit to some extent by unrestricted access to the vast market of the U.S.S.R., where these territories before 1917 found the principal outlet for their manufactured goods and agricultural products.

4. CONDEMNATION OF SOVIET CONQUESTS BY BRITAIN AND UNITED STATES. Soviet absorption of the Baltic states and a section of Finland has been condemned by Britain and the United States. The refusal of the two Western powers to recognize Russia's territorial acquisitions probably represents the most serious

41. Cf., for example, "Prazdnik Karelo-Finnskovo Naroda" (Celebration of the Karelo-Finnish People), *Izvestia*, June 16, 1940; "Vossoedinenie Moldavskovo Naroda" (Reunion of the Moldavian People), *ibid.*, July 11, 1940; "Istoricheskii God" (A Historic Year), an editorial surveying developments in the section of Poland occupied by the Soviet Union, *ibid.*, September 17, 1940; "Nadelenie Zemlei Krestian Litvy" (Distribution of Land to Peasants of Lithuania), *ibid.*, September 25, 1940.

^{36.} The Soviet press justified occupation of Northern Bukovina not only on the ground of its linguistic, national and historic ties with the Soviet Ukraine, but also on the ground that it constituted compensation, to some extent, for the damage inflicted on the Soviet state and the population of Bessarabia by Rumania's twenty-two-year rule in that region. Cf. "Novaya Pobyeda Mirnoi Politiki S.S.S.R." (New Victory of the Peace Policy of the U.S.S.R.), Izvestia, June 29, 1940; also B. Lavrov, "Osvobozhdenye Bessarabii i Severnoi Bukoviny" (Liberation of Bessarabia and Northern Bukovina), Mirovoye Khozyastvo i Mirovaya Politika (World Economy and World Politics), July 1940, p. 24.

^{37.} For summary of these treaties, cf. Dean, "Russia's Role in the European Conflict," cited, p. 315.

^{38.} For texts of decrees, cf. Izvestia, August 9, 1940.

^{39.} Ibid.

^{40.} The New York Times (dispatch from Stockholm), September 5, 1940.

obstacle to improvement of relations between Russia and its World War Allies. In a statement issued on July 22 Mr. Sumner Welles, Acting Secretary of State, declared that the political independence and territorial integrity of the Baltic states had been "deliberately annihilated" by "devious processes."42 The people of the United States, he said, "are opposed to predatory activities no matter whether they are carried on by the use of force or by the threat of force. They are likewise opposed to any form of intervention on the part of one state, however powerful, in the domestic concerns of any other sovereign state, however weak." As an earnest of its attitude on this question, the United States government proceeded to freeze Baltic securities in this country, unofficially estimated at 17 million dollars, and denied clearance to ten or eleven ships of the Baltic countries which happened to be in American ports at the time when the Soviet Union absorbed Estonia, Latvia and Lithuania. Similar action was taken by the British government, which froze Baltic securities estimated at 4 million pounds sterling, and is holding in British ports over thirty Baltic vessels claimed by the Soviet Union. The attitude of Britain and the United States was vigorously criticized by Premier Molotov in an address to the Supreme Soviet on August 1, when he described the decision of the American government to hold the property of the Baltic states as "illegal," and accused the United States of "imperialist" designs on European possessions in the Western Hemisphere.⁴³

With the resumption of German expansion in the Balkans and the renewal of Japan's demands for a sphere in Southeast Asia, Britain and the United States made a fresh attempt to effect a rapprochement with the Soviet Union. Conversations with Sir Stafford Cripps, prominent Laborite who had been appointed British Ambassador to Moscow in April, and the Soviet Foreign Office, on the one hand, and between Mr. Welles and Constantine Oumansky, Soviet Ambassador to Washington, on the other, have been carried on for several months, but so far have produced no positive political results. By notes exchanged on August 6 the United States and the Soviet Union extended for one year the commercial agreement originally concluded between the two countries on August 4, 1937, and since renewed for successive periods of one year.⁴⁴

As in the previous three agreements, the Soviet government informed the United States that Soviet economic organizations intended to purchase during the next twelve months American goods to the value of at least \$40,000,000.45 The 1940 agreement, however, takes into account the possibility that various export restrictions imposed by the United States in fulfilling its national-defense program "may make it impossible for these organizations to carry out their intentions." Following renewal of the Soviet-American commercial agreement, the United States permitted small exports to the U.S.S.R. of machine tools not immediately needed for the national defense program, and the Maritime Commission approved the charter by Russia of American tankers, while refusing such charters to Japan. Meanwhile, the British government is reported to have offered cancellation of its claims to property in the Baltic states in return for cancellation of Soviet claims to Baltic property in Britain;46 and negotiations for an exchange of Soviet exports, notably timber, for British "colonial" products, principally rubber and tin, are still pending in London and

6. SOVIET-GERMAN TRADE. While trade relations between Britain and Russia appeared to be marking time, Germany professed to be relatively satisfied with Russia's fulfillment of the Soviet-German trade agreement of August 20, 1939, supplemented by the trade pact of February 11, 1940. In the 1939 agreement the Soviet Union undertook to supply Germany during the next two years with raw materials valued at \$72,000,000, and the Reich promised to furnish \$80,000,000 worth of machines and manufactured goods against credits extending over seven and a half years.⁴⁷ Although no detailed information is available regarding Soviet-German trade during the first year of the war, deliveries of wheat, oats and barley from Russia are regarded as satisfactory in Berlin. Of the grains imported by Germany, about 80 per cent are said to be fodder. It has also been hinted that Germany might import the share of Russia's exports which formerly went to Britain, estimated at 19 million pounds sterling in 1938. Germany would be interested in importing from the U.S.S.R. other agricultural products and foodstuffs, such as corn, rice and meat, but these

^{42. &}quot;Baltic Republics: Statement by the Acting Secretary of State, Mr. Welles," *The Department of State Bulletin*, July 27, 1940, p. 48.

^{43.} Izvestia and The New York Times, August 2, 1940.

^{44.} For statement made by Sumner Welles, Acting Secretary of State, regarding renewal of the Soviet-American commercial agreement, cf. "Agreement with the Union of Soviet Socialist Republics," The Department of State Bulletin, August 10, 1940, p. 105.

^{45.} Soviet purchases in the United States totaled \$64,224,000 in 1937-38; \$50,255,000 in 1938-39; and \$67,779,000 in the first eleven months of 1939-40. United States imports from the Soviet Union totaled \$22,874,000 in 1937-38; \$24,761,000 in 1938-39; and \$23,916,000 in the first eleven months of 1939-40. *Ibid.*, p. 106.

^{46.} The New York Times (dispatch from London), September 13, 1940.

^{47.} For further details, cf. Christian Science Monitor, August 21, 1939.

Russia is not in a position to export. Nor does Russia have a large exportable surplus of oil and strategic raw materials needed by the Reich. Soviet crude oil production increased from 21.4 million tons in 1932 to 32 million in 1939, with a further increase to 48.5 million scheduled for 1942 under the third Five-Year Plan; Soviet oil exports, however, declined from 6.1 million tons in 1932 to 1.4 million in 1938, and Soviet deliveries of oil to Germany in 1939-40 appear to have been about 900,000 tons. This decline in Soviet oil exports is due in large part to increased home consumption, partly for the needs of the Red Army, and partly for the needs of agriculture, which is being increasingly motorized.48 The most important metals covered by the Soviet-German trade agreement are manganese, chrome and antimony, exports of which to Germany totaled one million metric tons in 1939-40.

The Soviet Union, too, would probably be ready to expand its imports of machinery and raw materials from Germany. The Reich, however, is not in a position to supply Russia with such commodities as sheet iron, pipes, refined steel, copper, nickel, tin, tea, jute, sisal, cotton, rubber, and other products which Russia formerly imported from countries not at present under German control, notably Britain, British overseas possessions, and the United States. Moreover, some non-German observers are of the opinion that Germany may no longer be able to furnish Russia with certain types of machinery owing to scarcity of imported raw materials.49 It is, consequently bélieved that no great expansion of Soviet-German trade can be anticipated in the immediate future. In a recent speech before the Frankfurt Chamber of Commerce, however, Dr. Eicke, a director and foreign trade expert of the Reichsbank, stated that imports from Russia in the past year had reached the peak of 1930, when they were valued at 436 million marks, as compared with the low figure to which they had sunk in 1938, when they were valued at 47 million marks, and that Soviet-German trade was capable of "further expansion." He also declared that for transit shipments of goods from the Far East payments are being made by Germany in foreign exchange.⁵⁰

WHAT WILL BE MOSCOW'S FUTURE COURSE?

In appraising Moscow's future course, it must be borne in mind that the Soviet government still believes that both Germany and the Western powers are bound sooner or later, individually or in con-

cert, to attack the "besieged fortress" of communism, unless they undergo a social revolution which would bring their internal systems in line with that of the U.S.S.R. The possibility must not be excluded that the Soviet government may eventually draw a distinction between Germany and the Western powers — hitherto lumped together as "capitalist" countries—if it should reach the conclusion that the Reich is experiencing a revolution of a character similar to that undergone by Russia in 1917. That Hitler is seeking to outbid Stalin as potential leader of all the workers of the world against the "pluto-democracies" has been increasingly evident since the conclusion of the Soviet-German non-aggression pact. 50a Until now, however, Communist leaders in the U.S.S.R. and other countries have contended that Nazism is merely the final stage in the decay of capitalism and, unlike communism, serves the interests of militarists and industrialists, the Goerings and the Kruppsnot the interests of workers and peasants. Moscow's principal question has therefore been which of the present belligerents would prove more dangerous to the Soviet Union.

In the early post-war years, when Germany was weak and the Allies relatively strong, Russia feared the Allies, recalling their intervention against Bolshevism in North Russia, Siberia and the Crimea. When Germany, after Hitler's rise to power in 1939, began to grow stronger, and the Allies became relatively weaker, Moscow feared Germany and hoped to get assistance from France and Britain through the League of Nations in case Germany made a thrust to the East. But when France and Britain permitted Germany to seize Austria and Czechoslovakia, and appeared to give Hitler a free hand in Eastern Europe, the Soviet government expressed equal, apprehension regarding "aggressors" and "appeasers."51 Abandoning the hope of effective aid from the Allies against Germany's eastward expansion, the Soviet government then took steps to strengthen its security in the West by concluding a non-aggression pact with the Reich.

Moscow's policy of "re-insuring" itself against attack by both Germany and the Western powers, however, does not mean that the Soviet government is no longer afraid of the Reich, or ready to recognize the "new order" in Europe and Asia. On the contrary, the Soviet Union is probably more afraid of Germany today, when the Reich controls practically the entire European continent, than it

^{48. &}quot;Soviet-German Trade Prospects," *The Economist*, September 14, 1940, p. 338. Rationing of gasoline was decreed by the Soviet Economic Council on December 9.

^{49.} Ibid.

^{50.} Frankfurter Zeitung, December 4; 1940.

⁵⁰a. Cf., for example, Hitler's speech to the workers of the Rheinmetall Brosig munitions plant in Berlin on December 10, 1940, The New York Times, December 11, 1940.

^{51. &}quot;Vneshnya Politika Strany Pobedivshevo Sozialisma" (Foreign Policy of Country of Victorious Socialism), *Izvestia*, March 13, 1939.

was in the summer of 1939, when France and Britain still seemed to offer an obstacle against German hegemony. But the U.S.S.R. has neither the desire nor the military and industrial equipment for a major conflict with Germany, and can expect even less assistance today from the Western powers than before the outbreak of the second World War. Moscow's chief objective is to preserve the neutrality of the Soviet Union and to avoid war in Europe and Asia. At the same time, the Soviet government is ready to reap such strategic advantages for its own security as it can obtain from simultaneous negotiations with Germany, Britain and the United States, divided among themselves, in Moscow's opinion, by "capitalist contradictions." The real question for the Kremlin is: Which of the two belligerents has more to offer the Soviet Union at this juncture in world affairs?

To answer this question, the world conflict must again be appraised from Moscow's point of view. Moscow believes that neither Britain nor Germany will win the second World War. It believes that the two great belligerents will so exhaust each other that neither of them can be a threat to Russia for many years to come. A German victory, which would leave the Nazis in complete control of the European continent, would be regarded by the Soviet government with grave apprehension, since it would reduce Russia to the role of Germany's vassal. But a British victory, which would leave the British Empire unimpaired, and presumably no more friendly toward Moscow than it has been for the past twenty years, would also be unwelcome to the Soviet government.

Moscow may therefore be expected to hold aloof from the wars in Europe and Asia, intervening only to protect what it considers its territorial security, as it has already done in China, Poland, Finland, the Baltic states and Rumania, and may do again in Bulgaria, Yugoslavia and Turkey.

In fact, the apparent change in the policy of Bulgaria, which seemed on the point of joining the Axis powers during the week ending November 23, but suddenly adopted a conciliatory attitude toward Britain's ally, Turkey, has been attributed to the intervention of the Soviet Union. During the visit to Sofia of Herr von Papen, German Am-

bassador to Turkey, on November 22, it was expected that Bulgaria would follow the example of Rumania, Hungary and Slovakia by adhering to the tripartite alliance. On November 25, however, Arkady Sobolev, Secretary of the Soviet Commissariat of Foreign Affairs, arrived in Sofia and, in the course of an interview with King Boris, is reported to have expressed the determination of the Soviet Union to prevent spread of the war to the Balkans. Following his departure, Bulgaria moderated its anti-Greek and anti-Turkish press statements, and conversations opened between Sofia and Ankara concerning a possible rapprochement.

While the Soviet Union may thus continue to intervene whenever its strategic position appears to be threatened by the activities of the Axis powers, it may also be expected to remain on the alert for developments indicating that the possibilities for world revolution, checked at the close of the first World War, may be revived in the course of the present conflict. The Russians believe that the time may come when the conquered peoples of Europe, resentful of Nazi rule and disheartened by the outlook for the future, may turn to the Soviet system as the one alternative not yet tried outside the U.S.S.R. With that end in view Russia, while preserving outward neutrality, remains true to Lenin's precept that the "imperialist" war should be transformed into "civil war"—a civil war in which Russia, given the right. combination of circumstances, might assume the role of standard-bearer of world revolution envisaged for it by Lenin. Meanwhile, the danger that a German military defeat, followed by collapse of the German army, would open the way to communism and chaos on the continent, is an argument used by the Nazis to maintain their control of conquered countries where millions of people still dread communism more than Nazism. Only slowly, and through bitter experience, are the peoples of Europe beginning to realize that Nazism is producing on the continent a revolution as profound, and far more efficiently organized, than that contemplated by the Russian Communists; and that the Nazis have so far proved more effective than the Communists in fulfilling Lenin's injunction to utilize "contradictions" between "capitalist" states, and transform international war into civil war.

52. The New York Times, December 12, 1940.

The January 1 issue of FOREIGN POLICY REPORTS will be U.S. AID TO BRITAIN